

Office Supreme Court, U. S.

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Supreme Court of the United States

OCTOBER TERM, 1922.

No. **798** 197

PRESTONETTES, INC.,

Petitioner.

vs.

FRANCOIS JOSEPH DE SPOTURNO COTY,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE
CIRCUIT COURT OF APPEALS FOR THE
SECOND CIRCUIT.

BRIEF FOR RESPONDENT.

HUGO MOCK,
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Supreme Court of the United States

FRANCOIS JOSEPH DE SPOTURNO
COTY,

Respondent,

vs.

PRESTONETTES, INC.,
Petitioner.

October
Term, 1922.

RESPONDENT'S BRIEF IN OPPOSITION TO APPLICATION FOR WRIT OF CERTIORARI.

Statement of Case.

As can be seen from the opinion of the Circuit Court of Appeals, it has followed the unanimous authorities, and it has merely applied the universally recognized principles to the facts which will be further analyzed herein.

The limited and specific application of the familiar principle that a man's name or trade mark cannot be used to identify products for whose genuineness and quality he is not responsible in each and every particular, and that each case will be decided according to the particular circumstances involved, the class of products handled and the intelligence of the average purchaser using such products (*Nims on Unfair Competition*, p. 583) has been distorted in an attempt to give the petitioner a further opportunity to trade upon plaintiff's good-will.

The specific issues to which the Circuit Court of Appeals expressly limited its decision were stated thereby as follows:

"First. Can the name and trade mark of a manufacturer of a delicate, volatile product, like a perfume, be used without his consent, to sell his rebottled perfume, provided the one who thus rebottles and sells places upon each bottle sold a label bearing his own name and announcing that he is not connected with the original manufacturer of the product but that the contents are those of the original manufacturer but independently rebottled by the one whose name the label bears.

Second. Can the name and trade mark of a manufacturer of a toilet preparation containing a delicate and volatile perfume, like a face powder compact be used without his consent to sell an independently manufactured compact provided the independent manufacturer puts upon each container sold a label containing his own name and stating that he is not connected with the original manufacturer and that his compact was independently compounded by him from the compound of the original manufacturer, together with his own binder and stating the percentage of each."

The Court answered the above questions in the negative and ordered that an injunction be issued in general terms which forbade the petitioner to sell its products with the use of respondent's good-will as embodied in "*Coty*" and "*L'Origan*" as trade marks save to resell the original packages of the respondent (Assignment of Error #4, R. p. 97), so that the Petitioner should not be able to sell its products upon the strength of respondent's reputation for honesty and skill by merely stating a part of the truth.

The Court expressly based its decision upon the ground that the labels ordered by the District

Court enabled petitioner to sell its rebottled perfume and independently manufactured compacts on the reputation of "the plaintiff's product" (Opinion, Record page 106) because of the class of goods and the class of purchasers involved as later more fully discussed (*infra* p. 12). A similar conclusion was reached by this Court in a case involving patent medicines (*Beecham v. Jacobs*, *infra*, pp. 23 & 24). The Court's authority is *not* limited to ordinary cases of passing-off (*International News Service v. Associated Press*, *infra*, pp. 20-21).

Unless it is held that the Circuit Court of Appeals had no power to vary the label ordered by the District Court even in the slightest particular, this petition for certiorari is premature in advance of final decree because petitioner makes no definite criticisms or suggestions as to the form of injunction.

Thus in the case of *International News Service vs. Associated Press*, 248 U. S. 215; 39 Sup. Ct. Rep. 68, the Court stated (39 Sup. Ct. Rep., p. 74):

"There is some criticism of the injunction that was directed by the District Court upon the going down of the mandate from the Circuit Court of Appeals. In brief, it restrains any taking or gainfully using of the complainant's news, either bodily or in substance from bulletins issued by the complainant or any of its members, or from editions of their newspapers, '*until its commercial value as news to the complainant and all of its members has passed away.*' The part complained of is the clause we have italicized; but if this be indefinite, it is no more so than the criticism. Perhaps it would be better that the terms of the injunction be made specific, and so framed as to confine

the restraint to an extent consistent with the reasonable protection of complainant's newspapers, each in its own area and for a specified time after its publication, against the competitive use of pirated news by defendant's customers. But the case presents practical difficulties; and we have not the materials, either in the way of a definite suggestion of amendment, or in the way of proofs, upon which to frame a specific injunction; hence, while not expressing approval of the form adopted by the District Court, we decline to modify it at this preliminary stage of the case, and will leave that court to deal with the matter upon appropriate application made to it for the purpose."

The kind of infringement involved herein is so rare and the products involved are so unusual that the decision of the Circuit Court of Appeals has absolutely no effect upon the general business of the country and is of absolutely no public importance and it is only by ignoring the metes and bounds by which the Circuit Court of Appeals expressly limited its ruling, that the petitioner can find any general issue of law.

Far from departing from established principles, the Court has followed the unanimous authorities as can be seen from the certified copies of the orders in similar cases in other circuits (*infra*, pp. 37-53).

Since the petition for the writ contains omissions of fact and incorrect statements of fact which are very substantial and since it attempts to inject into this case issues not presented by any pleading and not argued either in the District Court or in the Circuit Court of Appeals, we believe it advisable to first give a statement of the facts involved.

The Facts.

We may state at the outset that the issues that the retail trade is being oppressed or can be oppressed in any manner whatever by the respondent or by any other person in a similar position, or that the case presents the slightest suggestion of price fixing or any combination between the respondent and any favored retailers, or that respondent is not offering a sufficient variety of sizes to the retail trade, or that retailers pay premiums for respondent's products for the purpose of committing the acts complained of, are all issues that have no foundation in the record and were not presented to either of the lower courts because the *petitioner did not even file an answer* in response to the motion for preliminary injunction. This case has not yet gone to final hearing and there is ample opportunity for the petitioner to present these considerations, and the Federal Trade Commission is still functioning to prevent any unfair practices. It is elementary that even if there is an appeal as a matter of right, that such absolutely new issues cannot be injected *de novo* into the case upon the final appeal.

Louisville v. Cook, 223 U. S. 70.

Instead of being of public importance, the practices complained of originated in the latter part of 1921 (Record, p. 41, fols. 122-123), and there is absolutely nothing to show that petitioner or any person in a similar position has any substantial business involved herein.

Taking up the business situation presented by this case, the following uncontradicted facts appear from the record.

The plaintiff is a popular French perfumer. The products which he makes and sells have such unusual characteristics that it is difficult to find their counterpart, except perhaps in some very delicate serums. These perfumes and perfumed products of the plaintiff are so delicate and volatile that they cannot be positively identified and they can only be analyzed and duplicated by the sense of smell of experts (Record p. 29, fol. 87; p. 43, fols. 127-128). We emphasize the admissions made by petitioner in its petition for rehearing (R., pp. 116-121).

Hence, since the sense of smell varies with different persons and an exact or quantitative result cannot be secured by this means, it is possible to adulterate a perfume or perfumed powder with impunity (Record p. 43, fols. 127-128). If adulteration or substitution or lowering of quality were denied, the Court would be compelled to smell all the suspected products, and render the final decision, if the experts disagreed, and this the Court could not possibly do.

Since perfumes and perfumed products are so delicate and unstable, it is necessary to exercise great skill and care, not only in manufacturing them, but in *packing* or *bottling* them so as to impart the desired quality (Record p. 4, fol. 12; p. 8, fol. 23; p. 46, fols. 136-139).

All these facts were never disputed on the motion for preliminary injunction and the petitioner must concede that its petition for a writ of certiorari is premature unless it acknowledges that at final hearing the respondent can conclusively prove that real and substantial skill and care are required to bottle his perfumes and make and pack his perfumed products; that adulteration

and substitution can be practiced with impunity; that the independent bottling and manufacture complained of can be conducted so cheaply and carelessly as to destroy the high quality connected with respondent's reputation without legal redress; and that the average purchaser who is not a trained chemist, *is ignorant of all this* and would not be warned by the labels ordered by the District Court that the rebottling and independent manufacturing operations of petitioner were vital to the quality of the product. The Circuit Court of Appeals decided on the facts, that the average purchaser would expect to get products for which "Coty" and not petitioner, was primarily responsible, if the labels ordered by the District Court were used.

As illustrative of the delicacy of these perfumed products and the care required to pack them, a perfumed product like a face powder should not be packed in a metal container so that it can come into contact with the metal (Record p. 8, Par. 13; p. 33, fol. 99), and petitioner deliberately omitted this precaution.

Because of the above mentioned considerations and since careful packing or bottling of these products was necessary in order that the respondent's trade marks "Coty" and "L'Origan" should fulfill their function of guaranteeing to the public the genuineness and quality connected with the respondent's reputation, he has sold his products in the same bottles or boxes in which they are resold to the ultimate consumer who buys them at retail in a drug store, department store or the like.

On page 46 of the Record, folios 137-138, Mr. Levy, who has been the plaintiff's sole authorized

distributor for more than ten years, as appears from the verification to the bill of complaint (Record, p. 17), states

"the plaintiff has always caused each and every of his perfumes and toilet preparations to be bottled and packed in his establishment in France in the final condition in which they are sold to the trade and to the ultimate consumer, so that the entire stock in the United States consists only of bottles, packages and containers which are imported into the United States in their final condition."

Mr. Levy deposed to the same effect on pages 49 and 50, folios 147 and 148.

It is furthermore pointed out (page 11 of the Record, folio 121) that Mr. Levy himself is not authorized to do any rebottling or repacking.

It is also pointed out in the complaint (page 6, par. 11) that the plaintiff has never given any permission to any person whatever to repack his products.

The petitioner's statement that the business of the plaintiff in the United States is confined to eight ounce bottles and that this is the only kind of bottle in evidence is absolutely incorrect because the exhibit mentioned in the complaint (page 13, par. 21) as the case containing samples of the plaintiff's bottles and containers, shows one ounce bottles and little compacts of face powder and the exhibit referred to in Par. 8 of the complaint (Record, pages 4 and 5) as "Plaintiff's Exhibit, Genuine L'Origan Package" is certainly a retail package. These articles are all sold separately, as well as in combination kits or cases.

There is absolutely nothing in the record to the effect that the eight ounce bottle of perfume re-

ferred to by petitioner is not a retail size and if the plaintiff wishes to sell this large retail size to a wholesale concern like the Importers Exchange, Inc. on special terms and with permission to rebottle in little vials because ample assurance has been given as to honesty, care and skill (Record, page 43, folios 128 and 129) and this permission to rebottle can be revoked at any time, this does not in any way show that an eight ounce bottle of perfume is not a recognized retail size.

Not many people purchase a pound of boracic acid or a similar large quantity of other household remedies or the like in a single purchase, but every large drug store carries these large sizes as standard retail sizes for people who desire the economy resulting from buying a large package.

It is *not* alleged that plaintiff-respondent in former years indiscriminately sold eight ounce bottles of his perfumes to dealers with permission to commit the acts complained of.

Petitioner merely alleged (Record, page 58, folio 172) :

"That it is and has been the custom of many dealers for years past, with the knowledge of the *representative* of the plaintiff (not with the knowledge of plaintiff himself) to buy said eight ounce bottles of plaintiff's product and to repack the same in smaller packages and sell them to the retail trade."

There is no allegation as to which brands were thus sold, how these dealers used Coty's reputation to sell his rebottled product, the kind of labels they used, if any, etc. There is no pretense that any products like powder compacts have ever been made with Coty's face powder and sold with the use of his good will.

The representative of plaintiff was Mr. Levy (Verification to Complaint, Record, page 17). Mr. Levy verified a complaint in which it was stated (Record, page 9, par. 15) :

"That plaintiff has never given his consent to any of the acts complained of herein."

Mr. Levy himself had no authority to rebottle or repack or relabel respondent's products (Record, page 11, folios 121 and 122).

If Mr. Levy gave permission to the practices complained of, which is *not alleged*, he exceeded his authority. Respondent claims that the practices of unauthorized concerns herein complained of began in 1921 (Record, page 41, folio 122) and when respondent was informed of them, only a few months elapsed before legal action was authorized. (Record, page 41, folios 123-124.)

In 1921 this petitioner and certain other persons put on the market little vials of perfume which were labeled so as to represent that they contained the genuine perfume of the plaintiff. These labels were held deceptive by the District Court, and petitioner took no appeal.

Petitioner also put on the market little compacts or cakes of face powder which they alleged had been manufactured from his genuine perfumed face powder sold by him in the loose form. Since the plaintiff also sells his perfumed powder in the form of compacts, the products of the petitioner directly competed with those of respondent. Deceptive labels were also used in selling these compacts.

There is absolutely nothing in the record to show that the petitioner is a retailer and on the

contrary, it clearly appears from page 65 of the Record, folios 194 and 195, that the petitioner is a wholesaler and complained because his customers were being warned by the respondent.

There is absolutely nothing to show that this is a controversy between wholesalers and retailers or that there are any substantial interests whatever affected by practices which had their inception in the year 1921, or that anybody is affected by the Court's decision, except this defendant and a few other small and irresponsible concerns.

There is absolutely nothing in the record to show that the respondent has made any unreasonable restrictions as to the forms of his packages, the quantities in which they are sold or the persons to which they are sold.

Petitioner tries to make it appear that American retailers have bought large quantities of respondent's perfumes to commit the infringements complained of, whereas the exact contrary is the truth. The practices here complained of began in the latter part of 1921 by a few irresponsible wholesale houses who made a regular wholesale business of it and actions were forthwith instituted and petitioner was promptly notified on March 16th, 1922 (Record, page 42, folio 125).

All the great injuries to American business pictured by the petitioner have absolutely no foundation in the Record especially since the decision of the Circuit Court of Appeals is expressly limited to the delicate, volatile, unstable articles of luxury heretofore described.

Although the petitioner did not appeal from the order of the District Court, it is attempting to again question the validity of the plaintiff's trade mark "L'Origan."

In other words, the petitioner always has claimed the right to substitute any spurious perfume it may choose and sell it as and for the respondent's product, designated by a trade mark which the District Court expressly found to be valid. It also claims the right to use "Coty" to sell perfumes not made by respondent (Record page 64, folio 190).

When it is realized how profitable adulteration and substitution can be in dealing with these expensive articles and that it is conceded by both sides that such adulteration could be practiced with impunity, the real reason for this contest may be appreciated. A tender concern for the public good is the last resort of a pirate. Unless Coty is relieved of all responsibility for the products of petitioner, even a force of detectives and chemists would be of no avail.

The Labels Ordered by the District Court Did Not Protect the Plaintiff's Reputation and Business, or Tell the Public the Whole Truth

The Circuit Court of Appeals reversed the District Court because it held that its labels permitted the use of "Coty" and L'Origan, as trade marks, and it merely enjoined such labels or the equivalents (R., pp. 22-25).

"Coty" and "L'Origan" represent the respondent's reputation and nothing else to the public. They are equivalent to Coty's signature that the article sold is the genuine article, and has the excellence the public expects.

Mendez v. Holt, 128 U. S. 514.

The only possible reason why the petitioner wishes to use these trade marks, by the label

permitted by the District Court, is to benefit by the respondent's reputation acquired by him in selling a genuine, high-class, and expensive product. Nevertheless, because of the very unusual and peculiar circumstance that adulteration can be practiced with impunity and cannot be detected by any possible analysis, any unscrupulous concern can defraud the respondent and the public with impunity if it is merely necessary to announce the fact of rebottling, because the woman who buys these articles would never dream that a statement such as petitioner desires to use would be legally permitted without the possibility of checking-up by respondent or by some responsible governmental agency (Record, pp. 24 and 25).

It cannot be imagined that the average lady who buys perfumes is a chemist or knows of the unusual circumstance that neither Coty nor any agency in the world, whether governmental or private, can detect adulteration or substitution. These facts would not be recognized by the court under the doctrine of judicial notice.

Under these circumstances, if his goods were adulterated, the plaintiff's valuable business and good will would be ruined in a very short time because the purchasers of these rebottled products would get the impression that his perfumes were no longer strong and lasting, and the respondent would have absolutely no legal redress. If any new customer would buy one of the independently rebottled vials or independently manufactured compacts, her first impression of "Coty" would be entirely beyond his control. This very defendant has claimed and is claiming that it can sell any perfumes as "L'Origan," and "Coty" and it began its business with deceptive labels.

Since a trade mark or the name of a manufacturer is the badge of a genuine article, personally applied by the proprietor of the trade mark or under his authority, for the purpose of identifying the genuine article, the use of "Coty" and "L'Origan" permitted by the District Court absolutely failed to comply with this essential test because it permitted unsupervised concerns to make a false representation to the public by merely stating a part of the truth.

Neither did the labels ordered by the District Court protect the respondent and the public from the misuse of respondent's reputation as embodied in "Coty" and "L'Origan," to sell inferior products bottled or manufactured by petitioner cheaply and carelessly as it desired (assuming there was no adulteration or substitution), even though petitioner's products did not conform to the high standards of respondent, because the average woman purchaser of these products is not a chemist and any deterioration of quality due to careless handling by petitioner would be attributed to "Coty."

As these perfumes and perfumed products are articles of luxury which are used by a relatively small class of the community, we venture to offer an analogy which is perhaps nearer the experience of the average person.

"Ingersoll" watches are sold with luminous and non-luminous dials.

When an "Ingersoll" watch is sold, "Ingersoll" sells not merely a number of gears, springs, etc., but also sells an expert assembly service where the proper operation of parts and proper time-keeping are secured. If a jeweler buys an ordinary "Ingersoll" watch having a non-luminous dial and replaces this by a luminous dial bought

from any source whatever, it would be an insufficient protection to the owners of the "Ingersoll" trade mark if the jeweler merely stated on the dial that he had replaced the original non-luminous "Ingersoll" dial by an independently purchased luminous dial.

Ingersoll v. Doyle, 217 Fed. 620 (cited by the Circuit Court of Appeals on pp. 101 & 102).

If anything were wrong with the luminous dial, the purchaser would know that he could not blame "Ingersoll" but if the tampering with the watch, necessitated by the replacement of the dial, injured the general assembly, its accuracy, etc. then the average purchaser, who is not an expert horologist and depends upon "Ingersoll" for everything save the dial itself has been given a watch of a quality inferior to that which he has the right to expect from "Ingersoll" and the goodwill of "Ingersoll" has been injured by the use of its trade-mark upon a product which no longer represents in each and every part and particular, its care and skill, and the care and skill of no other person whatever. Telling part of the truth is a familiar instrument of deception.

It would be no protection to the Ingersoll Watch Company if it could merely enjoin the sale of those watches which had been actually injured by the replacement of the dial, because it would be necessary for the "Ingersoll" Watch Co. to inspect and test every watch after the independent jeweler had replaced the dial and it could not compel such inspection and even if it could do so, this would place an insupportable burden upon it, comparable only to the activities of various Government Bureaus, in inspecting meats, etc.

When a private concern has neither the authority nor the purse of the Government and when independent persons choose to handle articles identified by means of a name or other trade mark, in any manner other than mere reselling so that *independent care and skill* are required, then the only possible protection for the owner of the trade mark is to forbid the use of his reputation, save to resell the identical article and in the identical state or condition in which it left his hands.

If the Ingersoll Watch Company entered into a contract with a reliable manufacturer of luminous dials whereby this dial manufacturer were licensed to affix his dials to "Ingersoll" watches supplied for that purpose, and proper precautions were taken to ensure "Ingersoll" quality, this arrangement would be perfectly legal, and a concern with whom the Ingersoll Watch Company refused to deal would still have no right to replace the dials of these watches and still use the "Ingersoll" name as indicative of the skill and fidelity of "Ingersoll."

Under such circumstances, and to relieve "Ingersoll" of the duty of spending enormous sums of money to advertise *all the facts* to its customers, a label of an unauthorized person which would at least show good faith would read something as follows:

"I, John Doe, not connected with or supervised by the Ingersoll Watch Company state that an Ingersoll watch can have its general assembly and accuracy altered by replacing its dial. I have replaced the original dial of an Ingersoll watch by my own luminous dial and according to my own methods to produce this watch, which is not guaranteed by the Ingersoll Watch Company."

We make no concession in the instant case with

respect to the above mentioned label, because an "Ingersoll" can be readily identified and we call attention to the form of injunction ordered in that case (*infra*, pp. 37-39), but we do urge that this case has advanced no further than the grant of a preliminary injunction and no attempt has been made by the petitioner to convince the Circuit Court of Appeals of the alleged incorrectness of the facts upon which its decision was based and no attempt has been made to submit to the Circuit Court of Appeals any label which would inform the public of *all the facts* and relieve the respondent of all responsibility for the practices and products of petitioner. The petitioner states and repeats that it does not wish to use "Coty" or "L'Origan" as trade-marks but it refuses to suggest an honest label.

The petitioner insists upon relying upon one of the most potent instruments of error and deception, that is, a *half* truth, which is more dangerous than an absolute falsehood. It is not showing good faith by cleansing its hands from dishonest business practices.


As illustrating the duty of an unauthorized person, if he uses the trade mark of another to sell goods for which the owner of the trade mark is not responsible in each and every particular, we call attention to the case of *Knight v. Milner*, 283 Fed. 816 (Advance Sheets of Dec. 7, 1922), decided before and reported after the decision of the Circuit Court of Appeals.

Here the plaintiff owned the "Fruit of the Loom" trade mark for cotton piece goods and also for wearing apparel made therefrom, and it had licensed certain manufacturers to use "Fruit of the Loom" as a trade mark for shirts made from "Fruit of the Loom" cloth, according to certain

standards. The defendant, an unauthorized concern, tried to use "Fruit of the Loom" to sell independently manufactured shirts made from the genuine "Fruit of the Loom" material. On motion for preliminary injunction, the Court compelled the adoption of the following label:

"This is NOT a genuine 'Fruit of the Loom' shirt. It is NOT made or guaranteed by the Ernest Simons Mfg. Co. or by any other authorized licensee of B. B. & R. Knight, Inc., the owners of said trade mark. This is a cheaper shirt, made, however, of genuine 'Fruit of the Loom' fabric and purchased by W. L. Milner & Co. from the Commodore Shirt Company, manufacturer of said shirt. It is NOT GUARANTEED BY B. B. & R. KNIGHT, INC."

The Court stated it had the right to enjoin any use of the trade mark.

The equities in the instant case are much stronger for respondent, because cotton cloth is sold as raw material for the express purpose of being made into other articles such as wearing apparel, and its genuineness can be detected, while all of respondent's products are sold in sealed bottles and packages for use in their unchanged form, like  a watch, and their genuineness cannot be determined. A court can determine whether a shirt is made well or poorly, but only an expert can smell perfumes to determine their quality, and experts always disagree.

We have filed a certified copy of the order in the "Fruit of the Loom" case and have printed it as an appendix to this brief (pp. 49-53) for the convenience of the Court.

The petition incorrectly states that the Circuit Court of Appeals overruled Judge Knox. In the case of *Coty v. Ivory Nozellics Trading Co.*, 12 Trade Mark Reporter 284, Judge Knox held:

"Defendant is within its rights in making a face powder compact of the nature here in question, and so long as its base is a face powder known as 'Coty's L'Origan,' may be justified in so marking the same. The case of *Ingersoll v. Doyle*, 247 Fed. 620, is to the contrary of such proposition. For present purposes I need not rule on the question but may leave it for final hearing. The reason for this is that the plaintiff does not now ask for an injunction wider in scope than that granted by Judge Augustus N. Hand in *Coty vs. Prestonettes, Inc.* (the instant case), a case substantially similar to this and decided June 23, 1922."

Respondent did not request Judge Knox to overrule Judge Augustus N. Hand because it was not believed that this was good practice.

THE LAW.

Infringement of trade marks and unfair competition are *torts* (Cooley on Torts, 3rd Ed., p. 720) and the Courts have always refused to confine themselves to any rigid definition of a tort, so as to enable them to properly meet each individual situation.

The entire theory of the petitioner's case is that the law of trade marks and unfair competition is limited to the ordinary case of passing-off, but this Court has expressly refused to thus limit the powers of a Court of Equity, in a decision later than any cited by petitioner.

In the case of

International News Service vs. Associated Press, 248 U. S. 215; 39 Sup. Ct. Rep. 68,

where the defendant republished the news previously published by the plaintiff without using "anything fraudulent or underhanded" (245 Fed. p. 254), this Court stated as follows (p. 71):

"In order to sustain the jurisdiction of equity over the controversy, we need not affirm any general and absolute property in the news as such. The rule that a court of equity concerns itself only in the protection of property rights treats any civil right of a pecuniary nature as a property right (In re Sawyer, 124 U. S. 200, 210, 8 Sup. Ct. 482, 31 L. Ed. 102; in re Debs, 158 U. S. 564, 592, 15 Sup. Ct. 900, 39 L. Ed. 1092); and the right to acquire property by honest labor or the conduct of a lawful business is as much entitled to protection as the right to guard property already acquired (Truax v. Raich, 239 U. S. 33, 37-38, 36 Sup. Ct. 7, 60 L. Ed. 131, L.R.A. 1916D, 545, Ann. Cas. 1917B, 283; Brennan v. United Hatters, 73 N. J. Law, 729-742, 65 Atl. 165, 9 L.R.A. (N. S. 254, 118 Am. St. Rep. 727, 9 Ann. Cas. 698; Barr v. Essex Trades Council, 53 N. J. Eq. 101, 30 Atl. 884). It is this right that furnishes the basis of the jurisdiction in the ordinary case of unfair competition."

(Pages 72-73)

"Stripped of all disguises, the process amounts to an unauthorized interference with the normal operation of complainant's legitimate business precisely at the point where the profit is to be reaped in order to divert a material portion of the profit from those who

have earned it to those who have not; with special advantage to defendant in the competition because of the fact that it is not burdened with any part of the expense of gathering the news. The transaction speaks for itself and a court of equity ought not to hesitate long in characterizing it as unfair competition in business.

The underlying principle is much the same as that which lies at the base of the equitable theory of consideration in the law of trusts—that he who has fairly paid the price should have the beneficial use of the property. Pom. Eq. Jur. 981." * * *

It is said that the elements of unfair competition are lacking because there is no attempt by defendant to palm off its goods as those of the complainant, characteristic of the most familiar, if not the most typical cases of unfair competition. *Howe Scale Co. v. Wyckoff, Seamans etc.* 198 U. S. 118, 140, 25 Sup. Ct. Rep. 609, 49 L. Ed. 972. But we cannot concede that the right to equitable relief is confined to that class of cases."

In the case of

Coca-Cola vs. Old Dominion Beverage Corp., decided by the Circuit Court of Appeals of the Fourth Circuit in 271 Fed. 600

infringement of the trade mark "Coca-Cola" for a bottled beverage was alleged. The defendant claimed that its beverage was the same as plaintiff's and that it merely wished to inform the public of this fact, while giving it to understand that its beverage was not the beverage of the plaintiff.

The Court stated on pages 603 and 604:

"It may tell the thirsty that its drink is not only as good as Coca-Cola, but that it believes it to be in fact the same thing; but

can it do so by using plaintiff's trade mark to plaintiff's hurt? Even if there is no attempt by defendant to palm off its goods as those of plaintiff, does it necessarily follow that defendant is not unfairly competing? The right to equitable relief is not confined to cases in which one man is selling his goods as those of another. *International News Service v. Associated Press*, 248 U. S. 215, 241, 39 Supt. Ct. 68, 63 L. Ed. 211, 2A. L. R. 293. What in that case, upon a different state of facts, was said of the respondent, is applicable to defendant's conduct here, for it, too, "amounts to an unauthorized interference with the normal operation of complainant's legitimate business precisely at the point where the profit is to be reaped, in order to divert a material portion of the profit from those who have earned it to those who have not."

If the labels ordered by the District Court are permitted, then the petitioner is free to represent its rebottled perfume as "Coty's" perfume, no matter how much the quality may have deteriorated in the independent rebottling process because of carelessness, ignorance, or a deliberate omission of necessary precautions in order to save expense. This would cause as much injury to the respondent and to the public as if the petitioner exercised its alleged right of selling its own products as and for respondent's. The rebottled perfume is not the original article, because independent care and skill have intervened and the mere announcement of rebottling does not give sufficient warning to the public who must buy these sealed vials.

It must be remembered that "L'Origan" designates a distinctive blend and creation (Record, p. 37, fol. 111) and this blend cannot be accu-

rately analyzed by the sense of smell which is the only available means.

Under these circumstances and since the plaintiff was given no right to inspect or check up the defendant's practices, it was inevitable that the plaintiff's reputation would be misused in connection with the rebottled extracts.

In *Beecham vs. Jacobs*, 221 U. S. 263; 31 Sup. Ct. Rep. 556, the plaintiff's trade mark was "Beecham" for pills made under a secret formula and the defendant sold his pills as "Beecham" pills *manufactured by himself* and claimed that he had discovered the true Beecham formula, that the burden of proof was on the plaintiff to prove that his pills were not made according to the Beecham formula, and that all infringement was avoided by the clear statement that he, the said defendant, was the manufacturer. The Court stated:

"Corruptio optimi pessima. Sound general propositions thus are turned to the support of a conclusion that manifestly should not be reached. We will follow and answer the argument in the order in which we have stated it. If, in a technical sense, the burden of proof is on the plaintiff to prove that the defendant's pills are not made by his formula, there is at least a *prima facie* presumption of difference, just as in the case of slander there is a presumption that slanderous words are false. A different rule would prevent the owner of a secret process from protecting it except by giving up his secret. Again, when the defendant has to justify using the plaintiff's trade name, the burden is on him. Finally, as the case presents what is a fraud on its face, it is more likely that the defendant is a modern advertiser than that he has discovered the hidden formula of the plaintiff's success. * * *

To call pills Beecham's pills is to call them the plaintiff's pills. The statement that the defendant makes them does not save the fraud. That is not what the public would notice, or is intended to notice, and, if it did, its natural interpretation would be that the defendant had bought the original business out and was carrying it on. It would be unfair, even if he could assume, as we cannot, that the defendant uses the plaintiff's formula for his pills."

Applying this decision to the instant case it must be presumed that in the rebottling of respondent's perfumes, petitioner will not use the same degree of skill and care as respondent because it has absolutely no interest in the maintenance of his reputation, that the public will notice "Coty" and "L'Origan" in buying these articles rather than the unknown "Prestonettes," and that the opportunity to adulterate with impunity is the reason for the novel practices here complained of.

In the case of *Baglin vs. Cuscuier*, 221 U. S. 580, the plaintiffs owned the trade mark "Chartreuse" as a trade mark for cordials made by them for many years at the monastery of Grande Chartreuse in France. The defendant by virtue of certain legal proceedings in France, claimed the right to use "Chartreuse," on a cordial made in the same monastery and according to the same formula, but this Court specifically ordered a decree enjoining the defendant from infringing upon the trade-mark, and from mentioning the locality where it made its cordial so as

"to make use of the good will and reputation of complainants in putting out in this country any liqueur or cordial not made by complainants."

And this is the only principle which has been applied by the Circuit Court of Appeals in disapproving of the labels ordered by the District Court or any equivalent labels, because the bottling or packing is as essential as the manufacture in the instant case.

It always has been well recognized that it is a tort to pass off the inferior goods of a person as the superior goods of the *same person*, because his good will was injured (*Gillott v. Kettle*, 3 Duer 624, Cox's American and English Trade Mark Cases, p. 148; *A. G. Spalding & Bros. vs. Gamage*, 31 R. P. C. 125, 139.) This is conceded by petitioner and its sale of compacts made and packed in such a manner as to injure the perfume was not extenuated by a label which concealed these facts and only told part of the truth.

As stated in the case of *Manufacturing Co. vs. Trainor*, 101 U. S. 54, on page 60, the purpose of protecting a man's trade mark is

"that the goods may be known in the market as his, and to enable him to secure such profits as result from his reputation for skill, industry and fidelity."

On page 62, the Court pointed out:

"The owners of such trade marks are entitled to the protection of a Court of Equity, in the *exclusive use* of the symbols they have thus adopted and affixed to their goods, the foundation of the rule being that the public

interest as well as the interest of the owner of the trade mark require that protection.
* * * he is entitled to protection against any other person who attempts to pirate upon the *good will* of his customers or of the

patrons of his trade or business by sailing under his flag without his authority or consent."

The petitioner urges that we have not proved inferiority of its rebottled extracts, although we have proved the lower quality of its compacts. Such proof is legally impossible, and it is not necessary, because it never has been a defense that the defendant's wares are as good as plaintiff's.

Cutter v. Horn, 1 Fed. 24 on p. 38;

Pillsbury v. Pillsbury-Washburn, 64 Fed. 811 on p. 818.

In addition to the cases reviewed by the Circuit Court of Appeals, we call attention to the case of *Omega Oil Co. v. Wechsler*, 34 Misc. 441, 71 N. Y. Supplement 983 (affirmed without opinion 68 App. Div. 738), where plaintiff owned the trade mark "Omega" for a curative oil or liniment. The defendant made a curative soap of which "Omega" oil was an ingredient and the Court granted an injunction restraining defendant

"from advertising or representing its soap as composed of 'Omega Oil' as one of its constituents."

The theory of all of these cases is that the unauthorized use of "Coca-Cola" or "Ingersoll" or "Hires" is an unauthorized certification to the public that the concern whose name or trade mark is being used has at least some measure of responsibility for the genuineness and quality of the article offered to the ultimate consumer and that the ultimate consumer will rely upon the fidelity and skill of the concern whose trade

mark is being used, even though such use is made in a qualified manner that does not prevent erroneous impressions and trading on the good will of the owner of the trademark. If the facts of the case are that the concern whose good will is being used without its consent cannot stand as a surety for the genuineness and quality of the product offered to the public, then trespass has been committed by unauthorized use of its good will and the public is being deceived into relying upon a person who is not authorized or supervised in any way by the owner of the trade mark.

The decision of the Circuit Court of Appeals is in complete harmony with the change made in the present Trade Mark Act of February 20th, 1907, over the preceding Trade Mark Acts.

Section 16 of the present Trade Mark Law reads as follows:

"That the registration of a trade mark under the provisions of this act shall be prima facie evidence of ownership. Any person who shall, *without the consent of the owner thereof*, reproduce, counterfeit, copy or colorably imitate any such trade mark and affix the same to merchandise of substantially the same descriptive properties as those set forth in the registration, or to labels, signs, prints, packages, wrappers or receptacles intended to be used upon or in connection with the sale of merchandise of substantially the same descriptive properties as those set forth in such registration, and shall use, or shall have used, such reproduction, counterfeit, copy, or colorable imitation in commerce among the several states, or with a foreign nation, or with the Indian tribes, shall be liable to an action for damages therefor at the suit of the owner thereof; * * *

The phrase "without the consent of the owner thereof" was not present in the preceding statutes and for the convenience of the Court, we reproduce the pertinent portion of Section 79 of the Trade Mark Law of July 8th, 1870:

"And be it further enacted that any person or corporation who shall reproduce, copy, counterfeit, or imitate any such recorded trade mark, and affix the same to goods of substantially the same description, properties and qualities as those referred to in the registration, shall be liable to an action on the case for damages for such unlawful use of such trade mark at the suit of the owner thereof in any court of competent jurisdiction in the United States, and the party aggrieved shall also have his remedy according to the course of equity to enjoin the wrongful use of his trade mark and to recover compensation therefor in any court having jurisdiction over the person guilty of such wrongful use. * * *

and the pertinent part of Section 7 of the Trade Mark Act of March 3rd, 1881:

"That registration of a trade mark shall be prima facie evidence of ownership. Any person who shall reproduce, counterfeit, copy or colorably imitate any trade mark registered under this act, and affix the same to merchandise of substantially the same descriptive properties as those described in the registration, shall be liable to an action on the case for damages * * *."

In enacting the Trade Mark Act of February 20th, 1905, Congress certainly never had in mind that the owner of a trade mark could consent to the use thereof by another person upon entirely independent goods, because such consent would

be entirely contrary to the theory of a trade mark, which, by its nature, must be exclusive and a monopoly.

What Congress had in mind was that the good will of the owner of the trade mark should not be used save as he permitted it.

Section 16 of the Act forbids any *unauthorized* person to reproduce, counterfeit, copy or colorably imitate any trade mark.

To "*imitate*" generically means to make a general likeness; to "*copy*" means to make an "*exact*" likeness; to "*counterfeit*" means to make a false likeness; so that these three words include every act of making every kind of likeness whether with good intent or with bad intent.

Since Congress forbade an unauthorized person to "*reproduce*" and brought in the idea of *consent* it must have had something else in mind than merely passing off goods which were independently manufactured in their entirety.

As defined in the dictionaries, such as "Webster's New International Dictionary," (1916) to "reproduce" means: "to make a reproduction of, to cause to exist in the mind or imagination", and every act whereby an authorized person uses the reputation of another, as embodied in a registered mark, is forbidden.

This was the interpretation put upon the statute in the case of

Thaddens Davids Co. vs. Davids, 233 U. S. 461, 34 Sup. Ct. 648,

where action was brought to restrain the infringement of the registered surname "Davids" for ink.

The Court stated (34 Sup. Ct. 652):

- "The right to be protected against an *unwarranted* use of the registered trade mark

has been made a statutory right * * *. Moreover, in view of this statutory right, it could not be considered necessary that the complainant, in order to establish infringement, should show wrongful intent in fact on the part of the defendant, or facts justifying the inference of such intent. * * *

Having duly registered under the act, the complainant would be entitled to protection against any infringing use."

Since "unwarranted" means without authority, we have a clear interpretation of the intent of Congress.

The Trade Marks "Coty" and "L'Origan" Are Infringed Even Though Reproduced in Different Type.

The respondent's allegations that the trademark used and *registered* by him was "L'Origan" (R., pp. 28) have never been denied. This point is merely an afterthought of petitioner.

When the motion for preliminary injunction was argued in the District Court, petitioner challenged the exclusive rights to "Coty" and "L'Origan" and the infringement of the latter by "Origan" (R. pp. 59-61, p. 64 fol. 190). The District Court overruled these defenses and held that petitioner's original vial labels, which did not imitate the type appearing in the registrations infringed plaintiff's rights (See order, pp. 72-74). This order specifically mentions "Origan." This decision followed the previous decision on May 15, 1922, of Judge Morris in the case brought by this plaintiff against the Coty Stores of America, Inc. (12 Trade Mark Reporter 229), where the Court stated

"the defendant's use of the word 'Origan' is an infringement of the plaintiff's trade-mark 'L'Origan' No. 146974."

The true meaning of "Coty" and "L'Origan" are set forth on pp. 22-39 of the Record.

Petitioner *took no appeal*, and hence this petition is certainly premature, because it can still assert any defenses it may have, on appeal from the final decree.

It is well settled that infringement of a trade mark is not avoided by merely varying the type in which it is printed, because if this alone were a defense, then duplicating the trade mark with a slight difference in spelling would be a perfect defense. (*Hier v. Abraham*, 82 N. Y. 519.)

In

Sarlehner v. Eisner & Mendelson, 179 U. S. 19,

the registered trade mark was "Hunyadi Janos" and the defendant urged that this precluded the registrant from advancing any claim to "Hunyadi" alone, but this defense was overruled.

As stated in

Colman v. Crump, 70 N. Y. 573,

"It is not necessary that the symbol, etc. * * * should be a facsimile, a precise copy, of the original trade mark, or so close an imitation that the two cannot be distinguished except by an expert."

Actual deception by petitioner's use of "Coty" and "L'Origan" in type different from that appearing in the registrations has been shown (Rec. pp. 22-25; see label on defendant's vial).

**The Circuit Court of Appeals Has
Granted An Injunction Similar
in Form With the Injunctions in
the "Ingersoll" and "Coca-Cola"
Cases.**

We have filed certified copies of the orders in said cases, and printed them for the convenience of the Court (pp. 37-48).

In all of these cases, it was held that merely telling part of the truth was no justification for the use of the good will of another, because in the *Coca-Cola* cases the defendants never concealed the fact that they were the bottlers.

Authorities Cited by Petitioner.

The authorities relating to deception of the public do apply, because such deception can be used by partially stating the truth, as well as making a deliberate misstatement.

In

Hennessy v. White, 6 W. W. & A. B.
Eq. 216 (Cox's Manual, p. 377).

the plaintiff had sold its brandy in *barrels*, and the custom of the trade gave *implied consent* to rebottle and relabel. There is no such proof of such custom here, and petitioner did not cite this decision previously, because it did not previously misinterpret the record by urging that respondent had sold his perfumes with implied consent to the practices complained of. It is important to note that when the defendant departed from the implied consent given by Hennessy and used a deceptive label, that the court held that deception was not avoided by merely stating who

did the bottling, so that this case is cited in the opinion of the Circuit Court of Appeals (R. p. 99).

In

Russia Cement Co. v. Fraunhar, 133
Fed. 518,

the record on appeal was examined, and it was shown to the Circuit Court of Appeals that *consent* had been given to the rebottling, and that adulteration and substitution could be detected by chemical analysis, by the proofs submitted by the Russia Cement Co.

In

Apollinaris Co. vs. Scherer, 27 Fed. 18,

the defendant imported *original bottles*.

In

Russia Cement Co. vs. Katzenstein, 109
Fed. 314,

the plaintiff had expressly authorized the rebottling, and could detect adulteration.

In

Condy vs. Taylor, 56 L. T. (N. S.) 891,

the plaintiff sold its disinfecting fluid in large barrels with implied permission given by the custom of the trade, to commit the acts there complied of. Perfumes are not sold in barrels and respondent proved that the practices complained have never been permitted and that action was promptly instituted to stop them.

In

Farina v. Silverlock, 6 De G. M. & G.
214,

a printer was sued for printing labels similar to those of Farina and his defense was that he intended to supply them to persons reselling the *original bottles*, whose labels had been soiled or destroyed. It was proved that plaintiff himself had supplied duplicate labels for this purpose and for concerns who desired to rebottle. The Court merely held that persons who had a right to use Farina's duplicate labels by the custom he had created, might buy them from defendant.

Where this particular point has been raised in foreign jurisdictions, free from the question of consent, express or implied, it has been decided in favor of the plaintiff.

Brown on Trade Marks, Second Edition,
Supplement 1885-1898, Sec. 910, p. 135.

"Before the Tribunal de Commerce, d'Anvers (Belgium) in the case of W. Pearson vs. Van Neck, the following principles were established.

The affixing of a mark of an owner without his authority is illicit, even on products of his own manufacture. To decide otherwise would be to oblige the inspection by the owner of the mark, to see in each particular case the sanction of his right by chemical analysis of the product, or to have recourse to other difficult means of verification. The trade mark 'Creoline Pearson' which was registered April 23, 1890, in the Tribunal of Commerce of Brussels, was intended to be affixed in various sizes, and in characters of every form, on packets, envelopes, boxes, and bales of the product thus denominated,

which trade mark was protected by the law of April 1, 1879. The plaintiff sold the disinfecting product in bottles of different sizes, all the recipients having special forms and appearance. Van Neck, having bought quantities of the product, had retailed it in bottles dissimilar to those employed by the plaintiff, and bearing plaintiffs' especial trade mark, in conjunction with the defendant's name, place of business, etc. The trade mark was affixed in writing.

It was held that it matters little whether the liquid sold by Van Neck emanated or not from the laboratory of the plaintiff. The product is not only a liquid, but is capable of being condensed into solid form, in both of which forms plaintiff has presented it to the public. The defendant pleads erroneously a tacit consent to his use of the mark, and says that he is justified in so doing by the fact of plaintiff's registration and his placing of the goods upon the market. Should it be otherwise, another dealer would be allowed to present it to the public under a number of indeterminate forms. The shape of bottle is immaterial. One flask would not present more guarantees than another; and the public could not distinguish the difference between the two products. Consequently inevitable counterfeits might be produced with the greatest ease. The only safeguard would be a chemical analysis, which, of course would be impracticable. It is for the purpose of avoiding indefinite inconveniences as much in the interest of the public as for the manufacturer, that the rule should be rigidly observed that the right of the owner to affix his mark should be exclusive. Such is the only means of distinguishing the products of industry or the objects of commerce."

In

Sireczy vs. McBrair, 89 Hun. 155.

a dentist merely advertised that he administered "Hypodontine" and this was the truth because he had a bottle of this preparation sold to him for this purpose.

CONCLUSION.

This petitioner began with intent to deceive and did deceive by using fraudulent labels, still asserts its right to substitute spurious products, and as usual, is trying to magnify its reluctance to do business on its own reputation alone in this unusual type of business, into a question of great public importance.

Respectfully submitted,

HUGO MOCK,

ASHER BLUM,

Counsel for Respondent.

APPENDIX.

Interlocutory Decree.

UNITED STATES OF AMERICA.

District of Massachusetts. In the District Court.
No. 827 In Equity.

ROBERT H. INGERSOLL *et al.*, Complainants,

v.

EDWARD L. DOYLE *et al.*, Defendants.

DODGE, J.

This case came on to be heard upon the bill and supporting affidavits filed October 19, 1917, a stipulation filed October 24, 1917, and agreement filed November 28, 1917, and the complainants' application for a temporary injunction, and was argued by counsel for the respective parties, and thereupon, upon consideration thereof, it is

Ordered, Adjudged and Decreed as follows:

The defendants, Edward L. Doyle and Chester W. Cook and each of them are hereby enjoined until the further order of this Court: from selling or offering for sale, or delivering to others for sale any watch as an Ingersoll watch, which, though originating in the complainants' factory, has been altered or added to so that it no longer is in its entirety the product of Robt. H. Ingersoll & Bro.; from making any use whatsoever of the complainants' registered trade-mark "Ingersoll" in selling or offering for sale or delivering to others for sale any watch thus altered; from

making any use whatsoever of the complainants' trade-mark or trade-names "Ingersoll Midget" and "Radiolite" in connection with such sales; from altering the complainants' watches in any manner and then selling them or delivering them to others for sale as "Ingersoll", "Ingersoll Midget" or "Radiolite" watches; from affixing any words upon any watch thus altered and sold or delivered for sale, or upon the box in which it is sold or is to be sold, which include or in any manner simulate the words "Ingersoll", "Ingersoll Midget" and "Radiolite"; and from soliciting dealers to send watches to the defendants to be altered for sale in any of these various ways.

By the Court,

JOHN E. GILMAN, JR.,
Deputy Clerk.

Dec. 24, 1917.

F. D.

ENDORSED.

No. 827 Equity.

ROBERT H. INGERSOLL *et al.*,

v.

EDWARD L. DOYLE *et al.*

Interlocutory Decree.

U. S. District Court,

Mass. Dist.

Dec. 24 1917

FILED

in clerk's office.

DISTRICT COURT OF THE UNITED STATES,

District of Massachusetts.

I, JAMES S. ALLEN, Clerk of the District Court of the United States for the District of Massachusetts, do hereby certify that the foregoing is a true copy of the Interlocutory Decree, entered on December 24, 1917, in the cause in equity entitled:

No. 827,

ROBERT H. INGERSOLL et al.

v.

EDWARD L. DOYLE et al.

now pending in said District Court.

IN TESTIMONY WHEREOF, I hereunto set my hand and affix the seal of said (Seal) Court, at Boston, in said District, this twenty-fifth day of August, A. D. 1922.

JAMES S. ALLEN,
Clerk.

Writ of Injunction.

UNITED STATES OF AMERICA

EASTERN DISTRICT OF ARKANSAS

Western Division.

BE IT REMEMBERED, That at a District Court of the United States of America, in and for the Western Division of the Eastern District of Arkansas, begun and holden on Monday, the eighteenth day of October Anno Domini, One Thousand, Nine Hundred and Fifteen at the United States Court Room, in the City of Little Rock, Arkansas, the Honorable Jacob Trieber, Judge presiding and holding said Court, the following proceedings were had, to-wit: on February 15, 1916, *The Cocoa-Cola Company* (No. 1857) vs. *J. G. Butler, J. L. Butler and E. C. Butler*, doing business under the firm name of *J. G. Butler and Sons*.

This cause came on to be heard at this term, and was argued by counsel; and thereupon, upon consideration thereof, it was ordered, adjudged and decreed as follows, viz.:

That the defendants *J. G. Butler, J. L. Butler, and E. C. Butler*, doing business under the firm name of *J. G. Butler & Sons*, or doing business under any other firm, corporate or individual name, and each of them, their and each of their servants, agents and employes, successors, assigns and all persons claiming or holding under or through them, or either of them, be and are,

and each of them is hereby perpetually enjoined and restrained from (1) manufacturing, advertising, offering for sale or selling, or in any way disposing of beverages in bottles, having or using in connection therewith the crown tops and labels, or either of them, used on the bottles containing "Cocoa-Cola" as bottled by the plaintiff, The Coca-Cola Company, or its licensees, and furnished by said plaintiff for that purpose to its licensees, or crown tops and labels, or either of them, in imitation or simulation thereof, or (2) manufacturing, advertising, offering for sale or selling, or in any way disposing of beverages in bottles, having stamped, printed or in any way marked thereon, or attached thereto, or used in connection therewith, or on, to or with any case, box, crate, stand or package of any kind in or upon which said bottles or bottled beverages are or may be handled, or any contrivance, artifice or device to advertise that said bottled beverages, *any name, or names, contrivance, artifice or device in imitation or simulation of the trade mark or trade name of "Coca-Cola," or the words "Coca-Cola" or any like word or words, whether alone or in connection with other words or names, but* (3) the said defendants are not enjoined by this decree from selling or offering for sale or disposing of any of the beverage "Coca-Cola" bottled by and acquired as a bottled product from the plaintiff or its licensees.

That the said plaintiff do have of and recover from the defendants, J. G. Butler, J. L. Butler, and E. C. Butler, doing business under the firm name of J. G. Butler & Sons, the profits, gains and advantages which said defendants, or either of them, have received or made, or which have

arisen or accrued to them, or either of them, from the infringing by them of the said plaintiff's trade name and trade mark of "Coca-Cola", by the making, manufacturing, advertising, offering for sale or selling of any beverage in bottles, having used in connection therewith the name "Coca-Cola" or any like word or words, whether alone or in connection with other words or names, or any other name contrivance, artifice or device in imitation of said plaintiff's trade name and trade mark of "Coca-Cola", or by the use of the crown tops and labels, or either of them, used on the bottles containing the beverage "Coca-Cola" as bottled by the plaintiff or its licenses, and furnished by the plaintiff for that purpose to its licensees, or any crown tops and labels, or either of them, in imitation of simulation thereof.

That upon motion of said plaintiff at any time during the life of this decree, but not otherwise, there be a reference made to the standing master in Chancery of this court to ascertain and take and state and report to this court an account of the number of bottles of beverage manufactured and sold, or manufactured or sold by the said defendants, or either of them, and also the gains, profits and advantages which the said defendants, or either of them, have received or made, or which have arisen or accrued to them, or either of them, from infringing the rights of the said plaintiff by the manufacturing and selling, or manufacturing or selling of beverages in bottles, having used in connection therewith the tops or labels as aforesaid, or the words "Coca-Cola" or any like word or words, whether alone or in connection with other words or names, or using any

name or names, contrivance, artifice or device in imitation of plaintiffs' trade name and trade mark of "Coca-Cola."

That the said plaintiff on such accounting have the right to cause an examination of the defendants, and each of them, and their and each of their servants, agents and employees, or any other witnesses as may be necessary to take such accounting, and also the production of books, vouchers, and documents of which said defendants and their, and each of their attorneys, servants, agents and employees may be possessed, and cause them to attend for such purposes before the said master from time to time as such master shall direct.

That the said plaintiff do recover of said defendants its costs, charges and disbursements in this writ, to be taxed, and for which costs, charges and disbursements execution may issue.

And thereupon in open court the said defendants, and each of them, by their solicitors, Mehaffy, Reid & Mehaffy, duly waived service upon themselves of the writ of injunction issuing out of this court, directed to themselves, their agents, servants, employees, successors, assigns and all persons claiming or holding under or through them, or either of them, and enjoining them and each of them in manner and forms as in the above and foregoing decree specified, and duly accepted notice of said decree and the terms thereof.

(Signed)

JACOB TRIEBER, Judge.

UNITED STATES OF AMERICA

EASTERN DISTRICT OF ARKANSAS

Western Division.

I, SID B. REDDING, Clerk of the District Court of the United States for the Eastern District of Arkansas, in the Eighth Circuit, hereby certify that the foregoing writing annexed to this certificate is a true, correct and compared copy of the original remaining of record in my office, at Little Rock, Arkansas.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Court, this twenty-fourth day of August, in the year of our Lord, One Thousand Nine Hundred and Twenty-two, and of the Independence of the United States of America, the One Hundred and Forty-seventh.

Attest:

(The Seal of the	SID B. REDDING, <i>Clerk.</i>
District Court,	G. A. PERDUE. D. C.
Western Division. U. S. A.	

Final Decree.

IN THE
DISTRICT COURT OF THE UNITED STATES,

FOR THE DISTRICT OF KANSAS,
SECOND DIVISION.

THE COCA-COLA COMPANY,
Plaintiff,

vs.

CHAS. G. BENNETT and WILLIAM
R. BENNETT, Co-partners doing
business under the name of Ben-
nett Mineral & Distilled Water
Company,

Defendants.

No.

The mandate of the Circuit Court of Appeals of the Eighth Circuit having been received in the above stated case, and after a consideration thereof it is ordered, adjudged and decreed that the defendants, Chas. G. Bennett and William R. Bennett, Co-partners, doing business under the name and style of Bennett Mineral & Distilled Water Company, they and each of them, and all their associates, salesmen, servants, clerks, agents, workmen, employes, and every person claiming or holding under or through the said defendants or in any way connected with their business, are hereby perpetually enjoined and restrained from in any way or manner making or selling their product in such a way as to pass off the same as and for the product of The Coca-Cola Company, *and from using in any form whatsoever the name "Coca-Cola" as applied to any drink, or from using any name sufficiently similar to the name*

"Coca-Cola" as applied to any drink so as to cause deceit, and from doing any acts in any manner or form in the premises as is calculated to deceive.

It is further decreed and adjudged that The Coca-Cola Company has the sole and exclusive right to the use of the mark or name "Coca-Cola" in connection with a drink or beverage, and further, that The Coca-Cola Company has the sole and exclusive right to the use of the peculiar and individual design or form of writing the name "Coca-Cola" as described and set out in the petition in the above stated case.

It is further ordered, adjudged and decreed that the said Chas. G. Bennett and Wm. R. Bennett, deliver up to The Coca-Cola Company all labels, boxes, advertising matter, stoppers and crowns in their possession, which bear the name "Coca-Cola" alone, or in association with any other words, and also all of its product in any form sufficiently similar to the product of The Coca-Cola Company to cause deception.

It is further ordered, adjudged and decreed that the plaintiff have judgment against the defendants in the sum of One Hundred (\$100.00) Dollars for damages caused by the acts of defendants complained of in the petition, for which amounts execution may issue.

It is further ordered that the defendants, Chas. G. Bennett and William R. Bennett pay the costs accrued in this case, and that the plaintiff recover of and from said Bennett the cost of this suit to be taxed and have execution therefor.

This 16th day of March, 1917.

JOHN C. POLLOCK,
U. S. District Judge.

Approved:

HOLMES, YANKEY & HOLMES.

ENDORSED:

Eq. No. 12-N. IN THE DISTRICT COURT OF THE U. S. DISTRICT OF KANSAS. SECOND DIVISION. The Coca-Cola Company, Plaintiff, vs. Charles G. Bennett, et al. Defendants. DECREE. Filed Mch. 16th, 1917. Morton Albaugh, Clerk. By Clara Lorang, D. C.

UNITED STATES OF AMERICA, }
DISTRICT OF KANSAS, } ss.:

I, F. L. CAMPBELL, Clerk of the District Court of the United States of America for the District of Kansas, do hereby certify the within and foregoing to be a true, full, and correct copy of Final Decree, filed March 16th, 1917, in the case of The Coca-Cola Company, Plaintiff, vs. Chas. G. Bennett and William R. Bennett, Co-partners doing business under the name of Bennett Mineral & Distilled Water Company, Defendants. In Equity, No. 12-N, as fully as the same appears of record and on file in this office.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Court, at my office in Wichita in said District of Kansas, this 11th day of August, 1922.

(Seal)

F. L. CAMPBELL,
Clerk.

E. LINTON,
Deputy Clerk.

THE UNITED STATES OF AMERICA,
NORTHERN DISTRICT OF OHIO,
WESTERN DIVISION, ss.:

At a stated term of the District Court of the United States, within and for the Western Division of the Northern District of Ohio, begun and held at the City of Toledo, in said District, on the last Tuesday in April, being the 25th day of said month, in the year of our Lord one thousand nine hundred and twenty-two, and of the Independence of the United States of America, the one hundred and forty-sixth to wit: on Tuesday, the 24th day of October, A. D. 1922. Present: Honorable D. C. WESTENHAVER, United States District Judge. Among the proceedings then and there had were the following, to-wit:

**Order Granting Preliminary
Injunction.**

IN THE
DISTRICT COURT OF THE UNITED STATES,

NORTHERN DISTRICT OF OHIO,
WESTERN DIVISION.

B. B. & R. KNIGHT, INC., and
ERNEST SIMONS MANUFACTURING
COMPANY,

Plaintiffs,

vs.

THE W. L. MILNER & COMPANY,
Defendant.

In Equity
No. 333.

This day this cause came on to be heard upon an order to show cause why a preliminary injunction should not issue, and counsel for the respective parties having been heard, upon consideration thereof, it is

ORDERED, ADJUDGED and DECREED that a preliminary injunction issue out of and under the seal of this Court directing to the defendant, The W. L. Milner & Company, its officers, agents, associates and all others acting in privity with it, and each of them, enjoining and restraining them and each of them, until the further order of this Court, from selling or offering for sale as "Genuine Fruit of the Loom" shirts or "Usual Fruit of the Loom" shirts or "Fruit of the Loom" shirts, any shirts except those made by the plain-

tiffs or the duly authorized licensees of them or either of them; and from selling or offering for sale or advertising for sale, any shirts bearing the words "Fruit of the Loom," "Fruit of Loom," or any simulation or approximation thereof (except as hereinafter provided), other than those made by the plaintiffs or the duly authorized licensees of them or either of them; and from using the words "Fruit of the Loom," or any simulation or approximation thereof in connection with or upon or in advertising any shirts (except as hereinafter provided), other than those manufactured and sold by the plaintiffs or the duly authorized licensees of them or either of them; and from publishing or circulating, or causing to be published or circulated, advertisements of the kind referred to in the Bill of Complaint, or any other advertisements, in which the words "Fruit of the Loom" are applied to shirts (except as hereinafter provided), or the licensees of them or either of them; and from making or causing or permitting to be made any other statements or representations, written, printed or oral, with respect to any shirts or other garments not made or sold by plaintiffs, or either of them, or their duly authorized licensees, which will be likely to mislead purchasers into believing that such shirts or garments are of plaintiffs', or either of them, or their licensees, manufacture, and from either directly or indirectly doing or permitting any act which constitutes an infringement of the aforesaid trade-mark "Fruit of the Loom," or which amounts to unfair competition with the business and good will enjoyed therein or there-

under by plaintiffs, or either of them, or by any of the duly authorized licensees of the plaintiff B. B. & R. Knight, Inc., *except* that defendant may offer for sale and sell such shirts as it now has in its possession, and which are made from genuine "Fruit of the Loom" fabric, provided, and only upon condition that the words "Fruit of the Loom," appearing upon the neckband thereof be completely removed or obliterated and provided that there be attached to each of said shirts in a conspicuous place a ticket or label not less than 2 inches by 3 inches in size upon which there is printed, in type not smaller than 10 point, the following language:

"This is NOT a genuine 'Fruit of the Loom' shirt. It is NOT made or guaranteed by the Ernest Simons Mfg. Co., or by any other authorized licensee of B. B. & R. Knight, Inc., the owners of said trade-mark. This is a cheaper shirt, made, however, of genuine 'Fruit of the Loom' fabric and purchased by W. L. Milner & Co. from the Commodore Shirt Company, manufacturer of said shirt. It is NOT GUARANTEED BY B. B. & R. KNIGHT, INC."

and unless there be used in any advertisement or representations made with respect to said shirts, the same notice; and except further, that defendant may hereafter offer for sale and sell such shirts as it may hereafter acquire, made from the genuine "Fruit of the Loom" fabric, provided that the words "Fruit of the Loom" shall not appear upon the neckband thereof or in any

other place than in a ticket or label placed thereon in a conspicuous place, not less than 2 inches by 3 inches in size, upon which there is printed in type not smaller than 10 point, a notice like that above contained, except that defendant must truthfully state the quality of workmanship, finish, and material other than the cloth, in place of the words "This is a cheaper shirt," which notice shall also be used in any advertisement or representations made with respect to said shirts.

This preliminary injunction shall not take effect until there is deposited with the Clerk of this Court, a bond to the defendant, conditioned according to law, in the penalty of Three Thousand Dollars (\$3,000), in such form and with such surety thereon as shall be satisfactory to said Clerk; said bond shall be conditioned to pay all costs and damages which may be sustained by the defendant or awarded against plaintiff in the event that a preliminary injunction is hereafter shown to have been improvidently granted.

UNITED STATES OF AMERICA, }
 NORTHERN DISTRICT OF OHIO, } ss.:
 WESTERN DIVISION, }

I, B. C. MILLER, Clerk of the District Court of the United States within and for said District, do hereby certify that I have compared the within and foregoing transcript with the original Order Granting Preliminary Injunction entered upon the Journal of the proceedings of said Court in the therein entitled cause, at the term, and on the day therein named; and do further certify that the same is a true, full, and complete transcript and copy thereof.

WITNESS my official signature and the seal of said Court at Toledo, in said District, this 26th day of December, A. D. 1922, and the 147th year of the Independence of the United States of America.

(Seal)

B. C. MILLER,
 Clerk.

By FRANKLIN MACSBIE,
 Deputy Clerk.